



Utah District Office

Information for the Small Business Community

District Director – Stan Nakano

July 2008

U.S. Small Business Administration

Utah District Office
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Date of Newsletter: July 8, 2008
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Save the Date:

More information can be obtained at
www.sba.gov/ut and select Events Calendar

July 7, 2008**Procurement Event**

Federal Building, 125 S State Street Room 2404
SLC, UT 84138
8:00 am till 4:30 pm

Start Smart

St. George SBDC, 225 S 700 E,
8:00 AM till 10:00 AM

July 9, 2008**Choosing a Business Entity**

SLCC Miller Campus 9750 s 300 W #203 Sandy
8:30AM till 11:00 am

July 10, 2008**Start Smart**

SLCC Miller Campus 9750 s 300 W #206 Sandy
3:00PM till 5:00 PM

July 12, 2008**Start Smart**

WSU Davis Campus, Rm 117, 2750 No University Pk
Blvd, Layton
10:00 AM till 12:00 PM

July 14, 2008**Start Smart**

St. George SBDC, 225 S 700 E
8:00AM till 10:00 AM

July 16, 2008**How To Start & Operate A New Business**

Salt Lake County Bldg., 2001 So State St, No Bldg,
Rm 4010
8:30 AM till 4:30 PM

How To Form A LLC

Parsons Kinghorn Harris, 111 East Broadway, 11th
Floor, Salt Lake City
5:30 PM till 8:00 PM

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All of the SBA's programs and services are provided to the public on a
nondiscriminatory basis.

SBA Region VIII Administrator Elton Ringsak to Retire

WASHINGTON DC – SBA Regional Administrator Elton "Mick" Ringsak will retire from federal service on June 30, 2008 after heading the agency's Region VIII since 2001. The region, the most rural in the nation, includes Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming and covers over 580,000 square miles.

"Mick has been an effective, dedicated leader who has worked tirelessly on behalf of small businesses and in support of the agency's initiatives," said SBA Acting Administrator Jovita Carranza. "We thank him for his service and wish him and his family all of the best."

"It has been an honor and privilege to serve SBA and Region VIII's small businesses," said Ringsak. "Being part of a team that developed critical economic development initiatives that will have a lasting impact on this nation's small businesses was extremely rewarding. I am proud to have worked with a tremendous staff, our many lending partners, resource partners, elected officials, and business owners throughout this region. Together, we have accomplished a great deal in seven years."

Since his appointment as regional administrator in 2001, the SBA has approved over 35,000 small business loans worth nearly \$10 billion in Region VIII. During his tenure, Ringsak traveled 300,000 miles across the region meeting with SBA staff, small business owners, economic development representatives, resource partners, small business lenders, and elected officials.

Ringsak's top priority as regional administrator was to foster economic development in rural communities. He was integral in spearheading Rural Lender Advantage, a new service that makes it easier for smaller community banks and credit unions to use SBA loan products. Launched earlier this year in Region VIII, RLA is now offered in 10 states and the agency plans to take it nationwide.

Prior to SBA, Ringsak and his brother-in-law owned and operated Miller's Boots and Shoes, a 91-year-old family shoe store located in Butte, Montana, for three decades. He has been active in many state and community organizations. From 1989 to 2000, he served on SBA's Montana State Advisory Council, serving as chairman in 1993-94.

A decorated Vietnam veteran, Ringsak had a distinguished military career that included tours of duty in Germany and Tunisia as captain in the U.S. Army Corp of Engineers. He was honorably discharged in 1981 as a major in the U.S. Army Reserve. Upon retirement, Ringsak will return to Butte with his wife Claire. They have three sons; Quint, a commodities' trader in Denver; Justin, a CFWEF public education coordinator in Butte; and Zach, a senior in pre-law at the University of Montana in Missoula.

SBA's Patriot Express Loan Initiative Delivers \$150 Million to Vets and Military Community

WASHINGTON – In just under a year's time, the U.S. Small Business Administration's Patriot Express Pilot Loan Initiative approved more than \$150 million in loan guarantees to nearly 1,500 veterans and their spouses who are using the SBA-guaranteed funds to establish and expand their small businesses.

Patriot Express, launched last June 28, builds on the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses, and the counseling assistance and procurement support it provides each year to more than 100,000 veterans, service-disabled veterans and Reserve members.

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Save the Date:

July 17, 2008

Small Business Employer Tax Workshop
SLCC Miller Campus 9750 s 300 W #203 Sandy
8:00 AM till 4:30 PM

July 19, 2008

Money Smart, SBDC
WSU David Campus, Rm 117, 2750 No University
Pk Blvd, Layton
10:00 AM till 12:00 PM

July 21, 2008

Start Smart
St. George SBDC, 225 S 700 E, St George
8:00 AM till 10:00 AM

July 22, 2008

Start Smart
Cedar City SBDC, 351 W Center St., Cedar City
3:00 PM till 4:30 PM

Inicio Inteligente, SBDC
Ogden Business Info Center, 2444 Washington Blvd,
Ogden
6:00 PM till 8:00 PM

July 23, 2008

Stoel Rives Business Law Forums
Miller Campus-Karen G. Miller Conf. Center
7:30 AM till 9:30 AM

July 25, 2008

SCORE, Small Business Workshop
Business Information Center, 2444 Washington Blvd,
Ogden
8:30 AM till 4:00 PM

July 26, 2008

Start Smart, SBDC
Ogden Business Info Center, 2444 Washington Blvd,
Ogden
10:00 AM till 12:00 PM

July 28, 2008

Start Smart
St. George SBDC, 225 S 700 E, St George
8:00 AM till 10:00 AM

July 29, 2008

8(a) Program Workshop
Federal Building, 125 So State St, Room 2222, Salt
Lake City
10:00 AM till 11:30 AM

July 31, 2008

Selling to the Government
Cedar City SBDC, 351 W Center Street, Cedar City
5:30 PM till 6:30 PM



SBA's Patriot Express Loan

"With the patriotic remembrances of Flag Day, June 14, comes the reminder that the SBA is committed to helping America's service men and women during the continuing War on Terror," SBA Acting Administrator Jovita Carranza said. "We believe that Patriot Express, supported by SBA's other services, goes directly to the needs of these American Patriots who wish to start businesses, and in the process encourages job creation and growth, an essential part of the President's economic agenda."

Patriot Express is a streamlined loan product based on the agency's highly successful SBA Express Program, but with enhanced guaranty and interest rate characteristics. The Patriot Express loan is offered by SBA's network of participating lenders nationwide and features SBA's fastest turnaround time for loan approvals.

Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral.

The Patriot Express loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases.

Patriot Express loans feature SBA's lowest interest rates for business loans, generally 2.25 percent to 4.75 percent over prime depending upon the size and maturity of the loan. Local SBA district offices will have a listing of Patriot Express lenders in their areas. Details on the initiative can be found at www.sba.gov/patriotexpress.

SOP 50 51 Modernization Project Effective June 18, 2008

As a continuation of the very successful SOP 50 10 modernization project, we are pleased to announce the launch of a follow-up initiative to

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SOP 50 51 Modernization Project Effective June 18, 2008

modernize our main loan liquidation/recovery Standard Operating Procedure, SOP 50 51. The existing version of SOP 50 51 is difficult to use and needs to better reflect current practices. We expect to produce a modernized SOP 50 51 that is concise and more easily used by lenders and SBA personnel. Another result of the project will be to have SOP-related material (such as FAQs on specific topics in the SOP) available on SBA's website.

This important project will involve three teams consisting of program and legal staff to address 7(a), 504 and disaster liquidation topics. The three teams include personnel from Capital Access, OGC, the Centers and District Offices, and we expect to gain significant assistance and guidance from other offices including OCIO, OCFO and OIG. One goal is to remove all disaster policy and procedures for servicing and liquidation from SOP 50 51 (and also SOP 50 50) for inclusion in an expanded SOP 50 52 that will contain all disaster servicing and liquidation instructions. The new SOP 50 51 will then be comprised of two stand-alone sections addressing 7(a) and 504 liquidation/recovery matters.

As part of the first phase of the SOP 50 51 project, we are seeking specific, written feedback from a range of users – including lenders and SBA personnel – on how we should modernize and improve the SOP (and SOP 50 52 for disaster servicing/liquidation issues).

Feedback may include suggestions regarding the document's structure, the types and amounts of information required for the SOP, information that could be included in other materials (such as FAQs) and use of technology. Comments should be sent to the following mailbox: SOP5051@sba.gov (on SBA's internal directory it is shown as SOP 50 51 Issues).

VETERANS

The Small Business Administration (SBA) Supports our Veterans and Their Families. The SBA's veterans programs are extended to the National Guard and Reservist. Support for our nation's veterans starts at home. The Utah District Office will be participating in the 2008 Your Freedom Career Fair, Wednesday, July 16, 2008 from 2:00 p.m. – 7:00 p.m. at the Davis Conference Center. This year's career fair includes veterans and civilians in Davis, Weber, Morgan, Box Elder and Cache Counties.



SBA'S COMMUNITY EXPRESS PROGRAM:

MYTH VS FACT

MYTH: Community Express's cap significantly diminishes the SBA loans reaching small businesses.

FACT: Community Express, currently a pilot program, accounts for about 2 percent of SBA loan volume in dollars. As we review the program's pilot status and make decisions about its future, we want to ensure that the program minimizes fraud, waste and abuse, and truly delivers good loan products at reasonable prices to underserved borrowers. However, due to relatively higher credit risk in the program to date, the agency has referred the matter to SBA's Office of Inspector General for audit.

MYTH: Community Express is a major source of small SBA loans.

FACT: Several other proven SBA products reach the same markets with the same or similar guarantees as Community Express including Patriot Express, SBA Express, and the regular 7(a) program.

- In FY 2006, 42,000 borrowers were approved for 7(a) loans under \$35,000; 5,000 of those loans were Community Express.
- In FY 2007, 45,671 loans were approved for 7(a) loans in dollar amounts under \$35,000; 7,000 of those loans were Community Express.

MYTH: Large Community Express lenders had no prior notice the cap was approaching.

FACT: Large Community Express lenders have been aware of the cap issue for many months. SBA encouraged lenders to diversify their product portfolios, advised them of SBA's many other programs, and offered to do training on other SBA loan products that could be used to assist qualified lenders.

Janet Tasker, Deputy Associate Administrator for Capital Access, met with major Community Express lenders in late February to highlight the cap issue and encourage them to shift to other SBA products and reduce their Community Express output.

Eric Zarnikow, Associate Administrator for Capital Access, met with major lenders in early April and communicated that they had a per month loan cap beginning that month.

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SBA'S COMMUNITY EXPRESS PROGRAM:

MYTH VS FACT

Zarnikow also offered that SBA would work with lenders on their loan pipelines if they had alternatives they wanted to propose and that the agency would work with them on other SBA products. With only one exception, SBA did not receive any alternative proposals.

Rather than moderating per SBA's instruction, some lenders' loan production increased for the month of April, and one lender's production dramatically exceeded the cap they had been communicated. We have reset targets based on the actual production and current 7(a) loan volume and have communicated the revised cap of loans per month.

Rather than work with SBA to manage to the cap, some Community Express lenders continued to make loans in excess of the cap, pushing SBA to impose the cap in a way that cooperation would have made unnecessary.

It's important to understand that the Community Express pilot program was created to complement SBA's main loan programs, and not to become the entire focus of a lender's business.

MYTH: The current volume cap is based on the mistaken assumption that the limit applies to the dollar amount of loans rather than the number of loans.

FACT: Section 7(a)(25)(A) of the Small Business Act states, "Not more than 10 percent of the total number of loans guaranteed in any fiscal year under this subsection may be awarded as part of a pilot program ..." (emphasis added). This directive could not be more clear.

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Getting Veterans Back to Business, Veteran's Small Business Guide

was developed by SBA for small business owners returning from an active tour. The guide provides tools, planning resources and information needed to help reestablish their small business.

Returning to the business may be like starting over again. The considerations and decisions that were initially made when they first started the business need to be addressed upon their return, particularly if they made a decision to mothball or suspend operations. In most cases, their service to the nation came not only with a personal sacrifice, but a financial one as well. They may be facing considerable financial challenges as they attempt to restart business operations. A complete copy of the guide, is available on the Internet at <http://www.sba.gov/aboutsba/sbaprograms/reservists/index.html>

Employee Spotlight Sharlene P. Miller



Sharlene P. Miller is the Paralegal and Information Resource Manager for the Utah District Office. She began her career in the basement of a neighbor's home typing addresses for

advertising during the summer and then moved on to other jobs including her first federal position at Hill AFB. After a 10 year break, she went back to work as a Scheduling Clerk, while raising 5 very young children, Scott, Aimee, Brandon, Jennifer, and Melisa, as a single parent. Sharlene has over 25 years of government experience and came to the Utah District Office from the Bureau of Reclamation. Sharlene is the motivating force of the Legal Division where she tracks documents and court deadlines and prepares filings. She is a team player who does not hesitate to assist others in the office. Due to her vast knowledge and experience in the 504 closing process, she provided the attorneys with input on what is now known as the 504 Streamline Loan Closing. On her own initiative she created the district office access database used for notification to SBA lenders, congressional representatives, chambers of commerce, and resource partners. She willingly serves on various internal district office committees. In 2002, Sharlene received the Region VIII District Employee of the Year Award.

She has always been intrigued with computer operating systems and was the natural fit to take on the information technology responsibilities of the daily office operations. Her keen eye for detail and working knowledge made her the ideal person to be in charge of the district office's web page.

She is a true believer in knowing "your" state and what it has to offer. Would you believe Sharlene has back packed into Canyonlands National Park? Sharlene finds her work at SBA rewarding and meaningful in assisting Utah's small businesses. Outside of work you will find Sharlene tending her 11 grandchildren, gardening, and playing the piano.

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LENDER	June LOAN NUMBERS	June TOTAL DOLLARS	YTD LOAN NUMBERS	YTD DOLLARS
AMERICA FIRST FCU	17	\$546,500	128	\$3,652,700
AMERICA WEST BANK	3	\$1,636,500	17	\$8,880,000
AMERICAN BANK OF COMMERCE D/B/A AMBANK	0	0	2	\$178,300
AMERICANWEST BANK	2	\$210,000	25	\$4,442,500
BANCO POPULAR NORTH AMERICA	4	\$780,600	37	\$16,511,600
BANK OF AMERICA, NATIONAL ASSOCIATION	0	0	1	\$10,000
BANK OF AMERICAN FORK	5	\$1,010,000	13	\$8,833,500
BANK OF UTAH	2	\$926,100	17	\$7,343,100
BARNES BANKING COMPANY	0	0	2	\$459,500
BEEHIVE CU	8	\$235,000	35	\$1,197,900
BRIGHTON BANK	0	0	2	\$179,000
CACHE VALLEY BANK	0	0	1	\$350,000
CAPITAL COMMUNITY BANK	0	0	2	\$140,000
CAPITAL ONE BANK (USA), NATIONAL ASSOCIATION	0	0	19	\$845,000
CAPITAL ONE, NATIONAL ASSOCIATION	0	0	7	\$500,000
CELTIC BANK CORPORATION	3	\$805,000	36	\$17,079,000
CENTRAL BANK	1	\$225,000	16	\$2,010,000
CIT SMALL BUSINESS LENDING CORPORATION	1	\$ 745,000	6	\$4,522,000
COMERICA BANK	0	0	1	\$150,000
COMPASS BANK	0	0	1	\$540,000
CONTINENTAL BANK	0	0	1	\$150,000
CYPRUS FCU	1	\$25,000	4	\$452,100
DESERET FIRST FCU	9	\$390,000	40	\$1,749,600
FIRST COMMUNITY BANK	0	0	1	\$320,000
FIRST UTAH BANK	0	0	15	\$1,050,000
FRONTIER BANK, FSB	0	0	2	\$250,000
GOLDENWEST FCU	4	\$85,000	39	\$1,050,000
GRANITE FCU	2	\$ 50,000	8	\$414,600
HERITAGEWEST FCU	2	\$45,000	15	\$781,700
HORIZON UTAH FCU D/B/A HORIZON CU	0	0	2	\$153,000
INNOVATIVE BANK	0	0	2	\$75,000
IRWIN UNION BANK AND TRUST COMPANY	1	\$720,000	5	\$1,985,700
JORDAN FCU	4	\$105,000	17	\$513,000
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	5	\$225,000	113	\$5,686,800
KEYBANK NATIONAL ASSOCIATION	0	0	22	\$2,765,800
LEHMAN BROTHERS BANK, FSB	0	0	3	\$1,460,900
MOUNTAIN AMERICA FCU	85	\$2,476,900	590	\$20,778,200
MOUNTAIN WEST BANK	1	\$517,000	8	\$1,085,500
MOUNTAIN WEST SMALL BUSINESS FINANCE	20	\$10,292,000	143	\$72,247,000
NEVADA STATE BANK	0	0	1	\$50,000
PNC BANK, NATIONAL ASSOCIATION	0	0	1	\$284,000
SAEHAN BANK	1	\$600,000	1	\$600,000
SALT LAKE CITY CU	0	0	3	\$80,000
SILVER STATE BANK	0	0	2	\$272,500
SOUTHWEST COMMUNITY FCU	1	\$ 50,000	16	\$786,500
STATE BANK OF SOUTHERN UTAH	1	\$100,000	15	\$1,743,700
SUNFIRST BANK	0	0	1	\$160,000
SUPERIOR FINANCIAL GROUP, LLC	0	0	2	\$20,000
TEMECULA VALLEY BANK	0	0	3	\$6,000,000
THE FIRST NATIONAL BANK OF LAYTON	1	\$125,000	8	\$1,799,000
THE HUNTINGTON NATIONAL BANK	1	\$837,000	1	\$837,000
THE VILLAGE BANK	0	0	2	\$585,000
U.S. BANK NATIONAL ASSOCIATION	0	0	43	\$7,949,900
UNITED WESTERN BANK	0	0	1	\$1,740,000

LENDER	May LOAN NUMBERS	May TOTAL DOLLARS	YTD LOAN NUMBERS	YTD DOLLARS
UPS CAPITAL BUSINESS CREDIT	0	0	1	\$817,000
USU CHARTER FCU	0	0	1	\$150,000
UTAH CERTIFIED DEVELOPMENT COMPANY	8	\$2,693,000	59	\$26,400,000
UTAH FIRST FCU	1	\$50,000	3	\$180,000
WACHOVIA SBA LENDING, INC.	1	\$516,300	4	\$2,905,500
WASHINGTON MUTUAL BANK	0	0	12	\$389,500
WEBBANK	1	\$160,500	25	\$7,940,500
WELLS FARGO BANK, NATIONAL ASSOCIATION	5	\$ 340,000	48	\$6,497,100
ZIONS FIRST NATIONAL BANK	68	\$6,950,200	564	\$46,249,900
TOTALS	269	\$34,472,600	2212	\$300,150,100